

(f) *Construction schedule inspection.* Prior to the start of construction, the grantee shall submit an approved copy of the construction schedule (critical path method) to the Director in the form and manner as the Director may prescribe.

(g) *Construction management.* The applicant must provide and maintain competent and adequate construction management services for inspection at the construction site to ensure that the completed work conforms with the approved plans and specifications. Construction management services shall include daily construction logs and monthly status reports which shall be maintained at the job site and shall be submitted to the Director at the times and in the form and manner as the Director may prescribe.

(h) *Nonfederal share.* Sufficient funds must be available to meet the non-federal share of the costs of constructing the facility.

(i) *Funds for operation.* Sufficient funds must be available when construction is completed for effective use of the facility for the purposes for which it is being constructed.

(j) *Inspection.* The Director and the Director's representatives shall have access at all reasonable times to all work areas and documents during any stage of construction and the contractor shall provide proper facilities for this access and inspection.

(k) *Accessibility to handicapped persons.* The facility must be designed to comply with the Uniform Federal Accessibility Standards (41 CFR part 101-19, subpart 101-19.6, Appendix A), as modified by other standards prescribed by the Director or the Administrator of General Services. The applicant shall conduct inspections to ensure compliance with these specifications by the contractor.

(l) *Notice of Federal Interest.* The grantee shall record a Notice of Federal Interest in the appropriate official land records of the jurisdiction in which the property is located.

(m) *Title insurance.* The grantee shall purchase a title insurance policy unless a legal opinion has been provided which certifies that the grantee institution has fee simple title to the site free and clear of all liens, easements, rights-of-

way, and any other adverse interests which would encumber the project. The Director may waive this requirement upon a request from the grantee adequately documenting self-insurance against the risks involved and containing such other information as the Director may prescribe.

(n) *Physical destruction insurance.* At the time construction is completed or at the time of beneficial occupancy, whichever comes first, the grantee shall purchase an insurance policy which insures the facility for the full appraised value of the property using state certified appraisers. The insurance policy must protect the property from total and partial physical destruction. The insurance policy must be maintained throughout the period of federal interest. The Director may waive this requirement upon a written request from the grantee adequately documenting self-insurance against the risks involved and containing such other information as the Director may prescribe.

(Approved by the Office of Management and Budget under Control Number 0925-0424; expires November 30, 2001)

**§ 52b.11 What are the requirements for acquisition and modernization of existing facilities?**

Grant awards for the acquisition and modernization of existing facilities are permitted if authorized by the statutes authorizing the construction grant program and shall be subject to the requirements of this section.

(a) *Minimum standards of construction and equipment.* A determination by the Director that the facility conforms (or upon completion of any necessary construction will conform) to the minimum standards of construction and equipment as set forth in § 52b.12 shall be obtained before entering into a final or unconditional contract for the acquisition and/or modernization of facilities. Where the Director finds that exceptions to or modifications of these minimum standards would be consistent with the purposes of the applicable section of the Act under which the acquisition or modernization is supported, the Director may authorize the exceptions or modifications.

(b) *Estimated cost of acquisition and remodeling: suitability of facility.* Each application for a project involving the acquisition of existing facilities shall include in the detailed estimates of the costs of the project, the cost of acquiring the facilities, and any cost of remodeling, renovating or altering the facilities to serve the purposes for which they are acquired. The application shall demonstrate to the satisfaction of the Director that the architectural, mechanical, electrical, plumbing, structural, and other pertinent features of the facility, as modified by any proposed expansion, remodeling, renovation, or alteration, will be suitable for the purposes of the applicable sections of the Act.

(c) *Bona fide sale.* Grant awards for the acquisition of existing facilities shall be subject to the condition that the acquisition constitutes a bona fide sale involving an actual cost to the applicant and will result in additional or improved facilities for purposes of the applicable provisions of the Act.

(d) *Facility previously funded by a federal grant.* No grant for the acquisition or modernization of a facility which has previously been funded in whole or in part by a federal grant for construction, acquisition, or equipment shall serve either to reduce or restrict the liability of the applicant or any other transferor or transferee from any obligation of accountability imposed by the Federal Government by reason of the prior grant.

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**§ 52b.12 What are the minimum requirements of construction and equipment?**

(a) *General.* In addition to being subject to other laws, regulations, executive orders, and policies referred to in § 52b.14, the standards set forth in this section have been determined by the Director to constitute minimum requirements of construction and equipment, including the expansion, remodeling, renovation, or alteration of existing buildings, and these standards, as may be amended, or any revisions or successors of these standards, shall apply to all projects for which federal

assistance is requested under this part. The publications referenced in this section are hereby incorporated by reference and made a part of the regulations in this part.

(b) *Incorporation by reference.* The Director of the Federal Register approves the incorporations by reference in paragraph (c) of this section in accordance with 5 U.S.C. 552(a)(1) and 1 CFR part 51. Copies may also be obtained from the organizations at the addresses listed in paragraph (c) of this section. Copies may be inspected at the National Cancer Institute, Executive Plaza North, Room 539, 6130 Executive Boulevard, Rockville, MD 20852 (telephone 301-496-8534; not a toll-free number); the National Center for Research Services, Building 31, Room 3B11, 9000 Rockville Pike, Bethesda, MD 20892 (telephone 301-496-5793; not a toll-free number); and at the Office of the Federal Register, 800 North Capital Street, NW, Suite 700, Washington, DC. The Director may for good cause shown, approve plans and specifications which contain deviations from the requirements prescribed in paragraph (c) of this section, if the Director is satisfied that the purposes of the requirements have been fulfilled. In addition to these requirements, each project shall meet the requirements of the applicable state and local codes and ordinances relating to construction.

(c) *Design and construction standards.* The facility shall comply with the following mandatory design and construction standards:

(1) "Guidelines for Design and Construction of Hospital and Health Care Facilities" (1996-97). American Institute of Architects Academy of Architecture for Health (AIA); available from AIA Rizzoli Catalogue Sales, 117 Post Street, San Francisco, CA 94108 (telephone 1-800-522-6657, fax 415-984-0024).

(2) 1995 ASHRAE Handbook: Heating, Ventilating, and Air Conditioning Applications (1995), Chapter 13, "Laboratory Systems." American Society of Heating, Refrigerating and Air Conditioning Engineers, Inc., 1791 Tullie Circle, NE, Atlanta, GA 30329 (telephone 404-636-8400).